



**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007



Mary Taylor, CPA
Auditor of State

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

TABLE OF CONTENTS

| TITLE | PAGE |
|---|-------------|
| Cover Letter | 1 |
| Independent Accountants' Report..... | 3 |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2008..... | 5 |
| Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances - All Governmental Fund Types - For the Year Ended December 31, 2007..... | 6 |
| Notes to the Financial Statements | 7 |
| Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> | 11 |
| Schedule of Prior Audit Findings..... | 13 |

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Mary Taylor, CPA
Auditor of State

Ashley Union Cemetery
Delaware County
8191 Ashley Road
Ashley, Ohio 43003

To the Board of Cemetery Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Cemetery to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

Mary Taylor

Mary Taylor, CPA
Auditor of State

March 6, 2009

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Ashley Union Cemetery
Delaware County
8191 Ashley Road
Ashley, Ohio 43003

To the Board of Cemetery Trustees:

We have audited the accompanying financial statements of the Ashley Union Cemetery, Delaware County, Ohio, (the Cemetery) as of and for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Cemetery's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Cemetery has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Cemetery to reformat its financial statement presentation and make other changes effective for the years ended December 31, 2008 and 2007. Instead of the combined funds the accompanying financial statements present for 2008 and 2007, the revisions require presenting entity wide statements and also to present its larger (i.e. major) funds separately for 2008 and 2007. While the Cemetery does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require governments to reformat their statements. The Cemetery has elected not to reformat its statements. Since this Cemetery does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2008 and 2007 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Cemetery as of December 31, 2008 or 2007, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Ashley Union Cemetery, Delaware County, Ohio, as of December 31, 2008 and 2007, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Cemetery to include Management's Discussion and Analysis for the years ended December 31, 2008 and 2007. The Cemetery has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2009, on our consideration of the Cemetery's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.



Mary Taylor, CPA
Auditor of State

March 6, 2009

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

| | <u>Governmental Fund Types</u> | | | Totals (Memorandum Only) |
|---|--------------------------------|-----------------------------|----------------------------|---|
| | <u>General</u> | <u>Capital Projects</u> | <u>Permanent Funds</u> | |
| Cash Receipts: | | | | |
| Intergovernmental | \$24,805 | \$0 | \$0 | \$24,805 |
| Charges for Services | 9,658 | 0 | 0 | 9,658 |
| Sale of Lots | 0 | 7,825 | 0 | 7,825 |
| Interest | 661 | 2,111 | 1,919 | 4,691 |
| Donations | 1,439 | 0 | 68,383 | 69,822 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Cash Receipts | 36,563 | 9,936 | 70,302 | 116,801 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Cash Disbursements: | | | | |
| Current: | | | | |
| Salaries | 15,990 | 0 | 0 | 15,990 |
| Supplies | 1,849 | 0 | 0 | 1,849 |
| Maintenance | 1,729 | 0 | 3,420 | 5,149 |
| Contracts - Services | 5,955 | 0 | 0 | 5,955 |
| Public Employees' Retirement | 2,239 | 0 | 0 | 2,239 |
| Insurance | 1,472 | 0 | 0 | 1,472 |
| Medicare | 102 | 0 | 0 | 102 |
| Miscellaneous | 21 | 75 | 247 | 343 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Disbursements | 29,357 | 75 | 3,667 | 33,099 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Receipts Over/(Under) Disbursements | 7,206 | 9,861 | 66,635 | 83,702 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund Cash Balances, January 1 | 30,623 | 52,375 | 4,729 | 87,727 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund Cash Balances, December 31 | <u>\$37,829</u> | <u>\$62,236</u> | <u>\$71,364</u> | <u>\$171,429</u> |

The notes to the financial statements are an integral part of this statement.

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2007**

| | <u>Governmental Fund Types</u> | | | Totals (Memorandum Only) |
|---|--------------------------------|-----------------------------|----------------------------|---|
| | <u>General</u> | <u>Capital Projects</u> | <u>Permanent Funds</u> | |
| Cash Receipts: | | | | |
| Intergovernmental | \$21,046 | \$0 | \$0 | \$21,046 |
| Charges for Services | 6,918 | 0 | 0 | 6,918 |
| Sale of Lots | 0 | 1,500 | 0 | 1,500 |
| Interest | 644 | 2,246 | 248 | 3,138 |
| Donations | 5,821 | 0 | 0 | 5,821 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Cash Receipts | 34,429 | 3,746 | 248 | 38,423 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Cash Disbursements: | | | | |
| Current: | | | | |
| Salaries | 15,300 | 0 | 0 | 15,300 |
| Supplies | 1,836 | 0 | 0 | 1,836 |
| Maintenance | 5,046 | 0 | 0 | 5,046 |
| Contracts - Services | 5,198 | 0 | 0 | 5,198 |
| Public Employees' Retirement | 2,119 | 0 | 0 | 2,119 |
| Insurance | 1,561 | 0 | 0 | 1,561 |
| Medicare | 98 | 0 | 0 | 98 |
| Miscellaneous | 2,214 | 0 | 20 | 2,234 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Disbursements | 33,372 | 0 | 20 | 33,392 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Receipts Over/(Under) Disbursements | 1,057 | 3,746 | 228 | 5,031 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund Cash Balances, January 1 | 29,566 | 48,629 | 4,501 | 82,696 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund Cash Balances, December 31 | <u>\$30,623</u> | <u>\$52,375</u> | <u>\$4,729</u> | <u>\$87,727</u> |

The notes to the financial statements are an integral part of this statement.

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges for the Ashley Union Cemetery, Delaware County, Ohio, (the Cemetery) as a body corporate and politic. The Cemetery is directed by a three-member Board of Trustees to direct cemetery operations. The Board is appointed by the legislative authorities of Oxford Township and the Village of Ashley. These entities also provide funding to meet the Cemetery's operating costs under the agreement which established the Cemetery. The accompanying financial statements present this funding as Intergovernmental Receipts. The Cemetery provides grounds maintenance, opening and closing of graves, and the sale of grave lots.

The Cemetery's management believes these financial statements present all activities for which the Cemetery is financially accountable.

The Cemetery is considered a blended component unit of Oxford Township due to the Township appointing a majority of the Cemetery's Board and providing the Cemetery with financial support.

The Cemetery is considered a related organization of the Village of Ashley due to the Village appointing a member of the Cemetery's Board and providing the Cemetery with financial support.

B. Basis of Accounting

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements basis of accounting. This basis recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Cash and Investments

The Cemetery includes investments as assets. The Cemetery does not report purchases of investments as disbursements or investment sales as receipts. The Cemetery recognizes gains or losses at the time of sale as receipts or disbursements, respectively.

The Cemetery records certificates of deposit at cost.

D. Fund Accounting

The Cemetery uses fund accounting to segregate cash and investments that are restricted as to use. The Cemetery classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It presents all financial resources except those required to be accounted for in another fund.

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Capital Project Fund

This fund presents receipts restricted to acquiring or constructing major capital projects (except those financed through trust funds). The Cemetery had the following significant Capital Project Fund:

Sale of Lots Fund – This fund receives all sale of lot receipts. This fund is to be used to pay for Cemetery improvements and for purchase of additional Cemetery land.

3. Permanent Funds

These funds account for resources restricted by legally binding trust agreements and funds for which the Cemetery is acting in an agency capacity. The Cemetery had the following significant Permanent Fund:

Mary Rebo Fund – This fund receives interest from fund investments. Proceeds are used to maintain specific grave sites and for other purposes as determine by the trust.

E. Property, Plant, and Equipment

The financial statements report acquisitions of property, plant, and equipment as capital outlay disbursements when paid. The financial statements do not report these items as assets.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Cemetery maintains a cash pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 follows:

| | 2008 | 2007 |
|-------------------------|----------|----------|
| Demand deposits | \$45,983 | \$25,086 |
| Certificates of deposit | 125,446 | 62,641 |
| Total deposits | 171,429 | 87,727 |

Deposits: Deposits are insured by the Federal Depository Insurance Corporation.

3. RETIREMENT SYSTEMS

The Cemetery's employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2008 and 2007, OPERS members contributed 10 and 9.5%, respectively, of their gross salaries and the Cemetery contributed an amount equaling 14 and 13.85%, respectively, of participants' gross salaries. The Cemetery has paid all contributions required through December 31, 2008.

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007
(Continued)**

4. RISK MANAGEMENT

Commercial Insurance

The Cemetery has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Employee Dishonesty

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Ashley Union Cemetery
Delaware County
8191 Ashley Road
Ashley, Ohio 43003

To the Cemetery Board of Trustees:

We have audited the financial statements of the Ashley Union Cemetery, Delaware County, Ohio, (the Cemetery) as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated March 6, 2009, wherein we noted the Cemetery followed accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Cemetery's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the Cemetery's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Cemetery's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Cemetery's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Cemetery's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Cemetery's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

Compliance and Other Matters

As part of reasonably assuring whether the Cemetery's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management and the Board of Cemetery Trustees. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

March 6, 2009

**ASHLEY UNION CEMETERY
DELAWARE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2008 AND 2007**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|----------------|--|------------------|--|
| 2006-001 | SAS 112 – Financial Reporting Control Deficiency | Yes | Fully Corrected |



Mary Taylor, CPA
Auditor of State

ASHLEY UNION CEMETERY

DELAWARE COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 7, 2009**